

Myth #5

U.S. farm policy interferes with free markets and free trade.

FACT #5

U.S. farm policy fully complies with U.S. trade agreements. And, with foreign tariffs on agricultural goods more than 5 times higher than U.S. tariffs, U.S. farm policy helps level the playing field so our farmers can compete in a world market that is not free or fair.



President Roosevelt's Administration advocated an end to anti-competitive practices because:

"Uncontrolled competition, like unregulated liberty, is not really free."

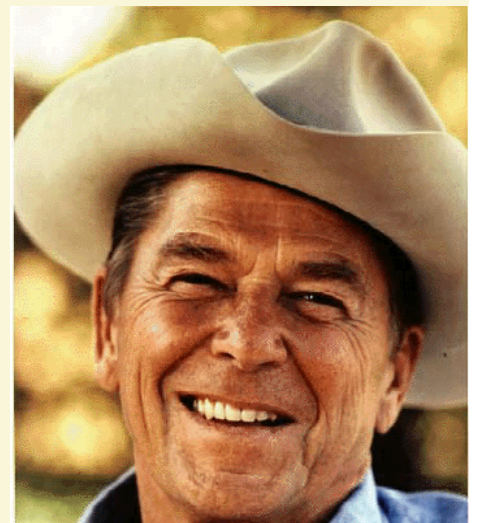
U.S. farm policy critics use the same arguments that some used in the early 1900s to justify the anticompetitive practices of trusts, combinations, and monopolies - that U.S. farm policy, like anti-trust laws, interferes with free markets.

At that time, the vast majority of Americans disagreed and so did then President Theodore Roosevelt, whose Attorney General advocated tearing down trusts, combinations, and monopolies as affronts to free markets, stating, "Uncontrolled competition, like unregulated liberty, is not really free."

In today's world market, the vast majority of Americans would agree that uncontrolled world competition that allows anti-competitive trade practices employed by foreign governments against U.S. farmers standing alone is not free or fair. Foreign tariffs, averaging more than 5 times higher than the average U.S. imposed tariff, and foreign subsidies, some more than 6 times per acre higher than help to U.S. farmers, must come down so American farmers can compete on a level playing field.

In the meantime, U.S. farm policy should continue to help level this playing field with help to America's farmers until trade negotiations achieve a truly free and fair world market.

Toward this end, U.S. farm policy fully complies with U.S. commitments made under the World Trade Organization. In fact, U.S. farm policy under the 2002 Farm Bill strengthens U.S. trade negotiators, making foreign countries reconsider their big subsidies and insurmountable trade barriers the same way the former Soviet Union was forced to reconsider the Cold War when then-President Reagan established the U.S. policy of "Peace Through Strength" that brought down Communism.



Peace through strength was critized as a contradiction until it brought down Communism.*U.S. farm policy strengthens the U.S. objective of tearing down foreign subsidies and trade barriers to bring about free trade in the world.